U.S. Customs and Border Protection Modernization

Report to Congress:
The Automated Commercial Environment (ACE)
CBPMO-RPRT-014

December 31, 2004

U.S. Customs and Border Protection Modernization Office

I am pleased to submit the *Report to Congress: The Automated Commercial Environment (ACE)*, as directed by the 2005 Homeland Security Appropriations Bill, and the Trade Act of 2002.

This report is submitted quarterly, providing an update of ACE development accomplishments, challenges, fiscal status, and upcoming program milestones. Most significantly, the report demonstrates how ACE is helping U.S. Customs and Border Protection (CBP) achieve Department of Homeland Security (DHS) strategic objectives, and in providing CBP personnel in the field with the enhanced capabilities to better accomplish the CBP mission of preventing terrorism and facilitating legitimate trade and travel.

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Commissioner
U.S. Customs and Border Protection

Automated Commercial Environment (ACE) Report to Congress
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Executive Summary

<u>Background</u>

In 2001, the former U.S. Customs Service (now U.S. Customs and Border Protection – CBP) embarked on ACE as its first project in a multi-year modernization effort to reengineer its business processes and the information technology that supports them. The initial plan was to focus first on ACE and trade processing and then on other elements of CBP Modernization, including enforcement. The terrorist attacks on September 11, 2001, changed this focus. The ACE is being developed to support the CBP mission of: (1) protecting the American public against terrorists and the instruments of terror and (2) enforcing the laws of the United States while fostering our Nation's economic security through lawful international trade and travel.

With the establishment of DHS, CBP has also aligned ACE with the DHS mission and strategic goals. The ACE will help reduce our Nation's vulnerability to threats without diminishing economic security by providing threat awareness, prevention, and protection for the homeland. Specifically, ACE will help:

- Detect, deter, and mitigate threats.

- Assess vulnerabilities to homeland security and the American public.

- Safeguard U.S. citizens and critical infrastructure from acts of terrorism.

- Serve the public by effectively facilitating the movement of lawful trade.

Working closely with other government agencies and the trade community, CBP is modernizing to enhance inter-agency information sharing and analysis, replace outdated systems taxed by increasing demands, and comply with legislation requiring greater agency efficiency and effectiveness to better serve the public. Among other capabilities, CBP personnel will have automated tools and better information to decide – before a shipment reaches U.S. borders – what cargo should be targeted because it poses a potential risk, and what cargo should be expedited because it complies with U.S. laws.

The *Automated Commercial Environment Report to Congress* consolidates CBP Congressional reporting requirements, which include the 2005 Homeland Security Appropriations Bill, and the Trade Act of 2002. These statutes require quarterly updates on how ACE development and establishment is being implemented cost-effectively, and how ACE meets the modernization requirements of the 1993 Customs Modernization Act (Title VI of the North American Free Trade Agreement Implementation Act).

This report is provided to the Senate Finance Committee, House Ways and Means Committee, and both the House and Senate Appropriations Committees. The reporting period for this update is October 1, 2004, to December 31, 2004. The report provides a "snapshot" of current program status, highlighting recent accomplishments, challenges, cost and schedule status, and near-term milestones.

The report includes a brief overview of how ACE capabilities will help satisfy the requirements of the 1993 Customs Modernization Act, the status of efforts to resolve the Government Accountability Office (GAO) open audit recommendations, and an update on program cost and schedule. The *Homeland Security Appropriations Bill, 2005*, states that Congress believes that ACE and CBP Modernization should be integrated with, if not form the core of, DHS information systems and border security technology.

Accordingly, this report also addresses the ongoing CBP efforts to support ACE expansion if required, and in engaging other government agencies to participate in ACE/International Trade Data System (ITDS). Appendix A contains a description of near-term ACE capabilities. Appendix B provides a glossary of commonly used acronyms in the report and selected definitions.

A review of previous reports may be helpful in understanding the full context of the information provided in this edition of the report.

Notable in This Report

In July 2004, CBP introduced account-based processing. For the first time, importers were able to obtain a national view of import transactions on a monthly statement and pay those duties and fees monthly. The expansion of ACE accounts continues. There are now 347 ACE accounts, representing 30.3 percent of the total annual import value and 29.2 percent of the total annual duties paid.

The ACE e-Manifest: Truck release has entered its pilot and evaluation phase. The pilot was initiated in Blaine, WA, on December 12, 2004. Initial pilot operations were conducted through January 3, 2005, at which time the pilot was temporarily suspended to review lessons learned, obtain input from system users, and address some technical issues. The CBP is taking full advantage the lessons learned during this pilot test to enhance processes and technical interfaces. The Customs and Border Protection Modernization Office is coordinating with the Office of Field Operations on plans to resume the pilot in mid-January 2005.

The CBP continues to engage other government agencies to participate in ACE/ITDS. Currently there are 25 Participating Government Agencies (PGAs), including the Transportation Security Administration (TSA), which committed to participating in ACE/ITDS in early November 2004.

1.   Performance

This section highlights how ACE will help satisfy the requirements of the Customs Modernization Act, selected program accomplishments, and actions related to the open GAO recommendations.

1.1   Compliance with the Customs Modernization Act

The Act is a primary business driver and the legal foundation for the CBP Modernization effort. The Act emphasizes electronic processing and self-compliance as the preferred method for handling commercial importations. The Act also directs CBP to pursue a number of specific automation programs. The Act provides the foundation for the redesign of the trade compliance process and the strengthening of Screening and Targeting (S&T) systems. These are key requirements for enhancing border security and expediting legitimate trade.

The Act outlines requirements for automation and provides for the electronic processing of imports. The Act promotes the concept of informed compliance, which requires CBP to provide accurate and timely information to the trade community, and the concept of shared responsibility requiring the trade to use reasonable care in fulfilling their compliance obligations. The planned delivery of ACE capabilities will fulfill specific Subtitle VI requirements in the Act. The ACE is delivering capabilities that enable a secure, paper-free, web-enabled environment. The ACE is being built using an incremental approach that features a series of "releases." The capabilities in each release will leverage the foundation components and functionality present in the previous releases, and bring new capabilities to government users and the trade community.

1.2   Selected ACE Accomplishments

Following are selected program accomplishments between October 1, 2004, and December 31, 2004.

- **Implemented the e-Manifest: Trucks (Release 4) Pilot.** Following a successful Production Readiness Review on November 23, 2004, CBP kicked off the pilot and evaluation period. ACE Ambassadors prepared CBP officers in Blaine, WA, for training with an overview of ACE functionality and a demonstration of the system. One hundred and thirty CBP users were trained at Blaine on ACE e-Manifest: Trucks Primary and Secondary Processing and Port Monitoring. Users trained included port managers, chief inspectors, supervisor inspectors, and CBP officers.

- **Transportation Security Administration Joins ACE/ITDS.** On November 1, 2004, the TSA Air Cargo Group entered the ranks of PGAs participating in ACE/ITDS, bringing the total number of PGAs to 25.

- **Increased ACE Accounts**. As of December 14, 2004, there are 347 ACE importer, broker, and carrier accounts participating in ACE, representing 30.3 percent of the annual import value and 29.2 percent of the annual import duties collected.

- **Increased Growth in Duties Collected**. The duties collected via the ACE Periodic Monthly Statement have continued to grow since the inception of this ACE feature in June 2004. In July, monthly duties collected totaled $84,673, and in December, the monthly duty collection total was $61.5 million.

- **Completed Key Screening and Targeting (S&T) Activities.** The ACE Screening & Targeting team completed development, testing, and deployment of Phase 2 of the Intelligent Information Factory (IIF) Field Trial Prototype at the National Targeting and Security Center. The ACE S&T team successfully completed the design, development, testing, and verification for initial Criteria Management, Criteria Execution, and Analytical Data Repository functionality as part of the Screening Foundation (S1) release. Additionally, enhanced design activities for implementation of the Targeting Foundation and Advanced Targeting releases were initiated.

- **Completed Agency Business Processes Documentation.** Twenty PGAs completed the documentation of their agency's business processes with respect to border security and international trade, facilitating participation in Account Revenue and Secure Trade Data (Release 5) activities, the first active steps toward ACE integration.

- **Conducted User and Data Requirements Workshops for PGA Subject Matter Experts.** This workshop focused on the individuals within an agency who will utilize ACE, as well as the process of identifying the data elements required by PGAs. Once identified, PGA data elements are consolidated into the ITDS Standard Data Set, which ensures the PGA data requirements are captured within ACE.

1.3   Open Government Accountability Office Recommendations

The U.S. Customs and Border Protection Modernization Office (CBPMO) is actively addressing the following open GAO recommendations:

1.3.1   Cost-Estimating

GAO Recommendation: Develop and implement a rigorous and analytically verifiable cost-estimating program. Ensure that future expenditure plans are based on cost estimates that are reconciled with independent cost estimates.

The CBPMO has established a disciplined cost estimating process. This process includes a Life Cycle Cost Model (LCCM), which enables an independent government analysis and validation of eCP cost and schedule estimates. The LCCM is also used to develop CBP Modernization Expenditure Plans. During fall 2004, CBPMO staff met frequently with GAO representatives to discuss the details of ACE program estimates, the cost comparisons between ACE Program Plans 10 and 11, and the cost estimating methodology used. The CBPMO is awaiting input from GAO on what, if any, additional steps are required to fully close this recommendation.

1.3.2   Human Capital Management (HCM)

GAO Recommendation: Immediately develop and implement a CBPMO human capital management strategy.

The CBPMO officials have provided a comprehensive brief to GAO representatives on HCM accomplishments, plans, and activities. On November 19, 2004, CBPMO officials also briefed GAO representatives on the pending reorganization of the CBP Office of Information and Technology (OIT). The primary goals of this reorganization are to:

- Ensure efficient and effective government oversight of ACE development.

- Foster organizational cohesion between legacy and modernization staffs.

- Expand Modernization/ACE program ownership and commitment within OIT.

- Through more efficient and effective management, deliver ACE sooner, at less cost, while ensuring that capabilities hit the mark when deployed.

Key elements of the reorganization strategy include:

- Merge the Business Executive and CBPMO Executive Director into a single SES position reporting to the AC/OIT, with full responsibility for delivering ACE.

- Merge government and contractor staff from the Software Development Division and Infrastructure Services Division to work with eCP in an ACE Integration Support Group dedicated to development of ACE releases.

- Merge OIT program staffs with CBPMO to eliminate redundant program management functions and reduce overhead costs.

- Assign an investment manager to ensure modernization investments that best position the program to accomplish desired outcomes.

- Assign CBPMO Project Leads dual responsibility for ACE and Automated Commercial System /Automated Targeting System program direction.

- Enhance the approach to managing the program by: (1) Leveraging other resources; (2) reducing overhead and unnecessary processes; and (3) driving down overhead costs and directing funds toward building functionality.

With the reorganization, the CBPMO human capital effort will continue to be grounded in the established Human Capital Management Strategy and the ten human capital principles emphasized by the GAO (January 2000 GAO report *Human Capital: Key Principles from Nine Private Sector Organizations*).

Also, through Modernization funding, CBP is increasing the staff in the CBPMO to provide additional government oversight and operational expertise to the Modernization program. The increase is from 11 Full-Time-Equivalents (FTE) in FY04 ($1.02 million: actual) to 35 FTE in FY05 ($5.3 million: planned).

1.3.3   Independent Verification and Validation (IV&V)

GAO Recommendation: Establish an IV&V function to assist CBP in overseeing contractor efforts, such as testing. Ensure the independence of the IV&V agent.

The CBP awarded the IV&V contract on December 30, 2004, to Management Systems Designers Inc. The CBP will coordinate closely with the GAO and other affected stakeholders on its IV&V implementation.

1.3.4   Use of ACE Infrastructure for DHS

GAO Recommendation: Take appropriate steps to have future ACE expenditure plans specifically address proposals or plans to extend or use ACE infrastructure to support other homeland security applications.

As noted in the September 30, 2004, ACE Report to Congress, CBP has participated in Homeland Security Presidential Directive-11 working groups that are focused on government-wide best practices to implement the directive. Officials from CBP have also collaborated with DHS to adopt the same Technical Reference Model (TRM) structure, which also aligns with the Federal Enterprise Architecture. In August 2004, the DHS Enterprise Architecture Board approved the ACE architecture as being aligned with the DHS enterprise architecture. No expenditures have been planned for ACE to support other homeland security applications. However, CBP continues to participate in the aforementioned collaborative activities to support ACE expansion and integration if it makes sense to do so in the future.

1.3.5   Acquisition Schedule

GAO Recommendation: Reconsider the ACE acquisition schedule and cost estimates in light of early release problems, including these early releases' cascading effects on future releases and their relatively small size compared to later releases; and in light of the need to avoid past levels of concurrency among activities within and between releases.

The updated ACE Program Plan Version 11 reflects a significant change in the overall ACE rollout schedule. The ACE Program Plan is aligned with GAO's recommendation and funding levels contained in the FY05 President's Budget and Five-Year Homeland Security Plan (FYHSP). The result is completion of ACE development in 2010. Under this strategy, there is less design concurrency with the ACE releases. There is also much better synergy among the design, development, and deployment of the cargo shipment lifecycle processes, and the national security features and functions provided by the S&T capabilities and tools.

1.3.6   Measurement of Program Management Improvement Efforts

GAO Recommendation: Define measures, and collect and use associated metrics, for determining whether prior and future program management improvements are successful.

The CBPMO has met with GAO on several occasions throughout fall 2004 to discuss program performance. A primary metric to gauge program performance has been Earned Value (EV) Management. For several months, EV indicators reviewed at monthly Cost Performance Reviews (CPR) demonstrate constant improvement. Training for Cost Account Managers on Financial Program Control and rigid application of the CPR Process has enabled this positive trend. Additionally, CBPMO is continuing its participation in the OIT Enterprise Process Improvement Program and implementation of the guiding principles of the Practical Software and Systems Measurement methodology. The CBPMO is also collecting business outcome measures to demonstrate program effectiveness.

2.   Schedule and Cost

2.1   New Program Baseline

Figure 1 depicts a long-term view of the ACE Program. This chart reflects the ACE funding history, the Acquisition Program Baseline that was briefed to the DHS Investment Review Board in August 2004, and selected events in the life of the program. The chart also provides a breakout of estimated development, deployment, and operations and maintenance costs annually as part of the anticipated $305 million appropriated to ACE annually. The program baseline to which CBP is managing is a $3.3 billion, 8.5-year program, with completion of ACE development in 2010.
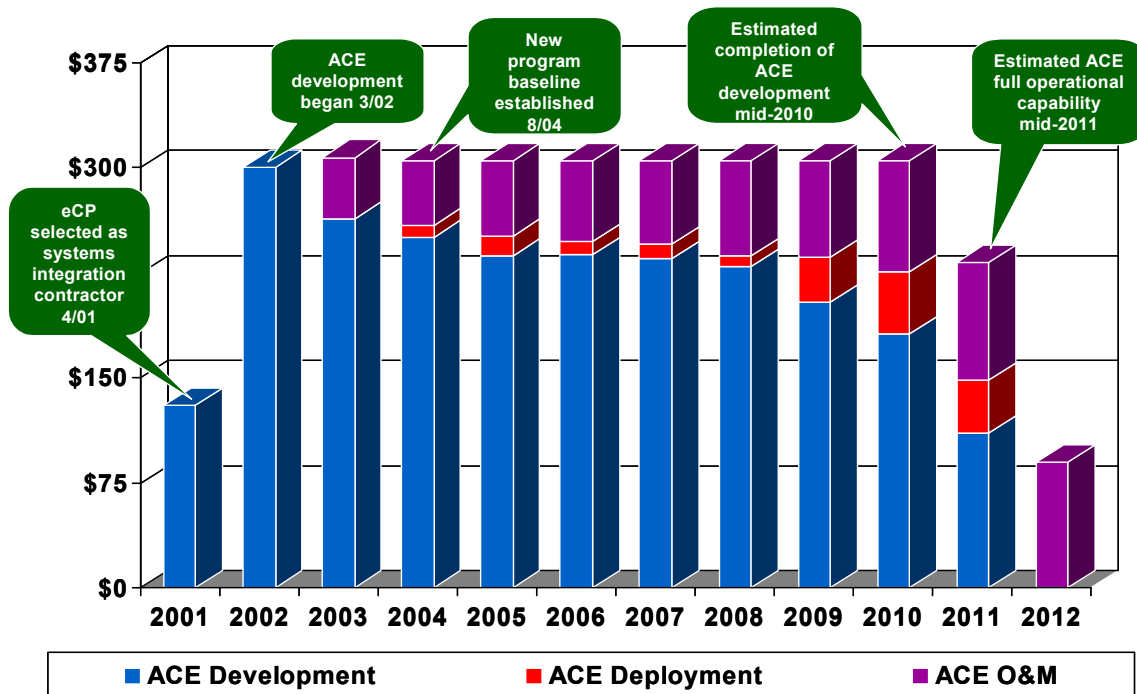
Fig. 1: ACE Funding Profile

Generally, there were three key cost drivers in establishing the new ACE baseline: (1) fixed program management costs over a longer schedule; (2) more details and better definition of requirements (for S&T, infrastructure needs, etc.); and (3) a refined risk analysis. Schedule and cost estimates in the ACE Program Plan were validated through the Independent Government Cost Estimate.

2.2   ACE Development Milestones

Previous reports highlighted some of the development challenges ACE experienced earlier in the program. Nonetheless, schedule delays were minimized, and the program was managed within the approved budget. The ACE Program team continues to be solidly engaged in implementing ACE Program Plan Version 11, which incorporates the aforementioned program baseline. This plan aligns the ACE Program to better address the terrorist threats to our Nation and related DHS mission priorities, and will enable enhanced S&T functionality to be more effectively focused on border security.

Figure 2 depicts the current baseline development milestones and current projections. While this is the plan of record, the ACE Program team is reviewing methods to deliver ACE sooner, at less cost. Note the current milestones are either complete, on track, or in some cases, estimated to be ahead of schedule.

Release Name	Key Milestone	ACE Program Plan Version 11 (Baseline)	Status/ Current Projection
e-Manifest: Trucks (R4)	PRR	11/26/04	11/23/04
e-Manifest: Trucks (R4)	ORR	2/23/05	2/23/05
Screening Foundation (S1)	PRR	8/18/05	6/10/05
Screening Foundation (S1)	ORR	11/10/05	9/13/05
Account Revenue and Secure Trade Data (R5)	PRR	7/17/06	7/17/06
Account Revenue and Secure Trade Data (R5)	ORR	12/19/06	12/19/06
Targeting Foundation (S2)	PRR	4/27/06	11/23/05
Targeting Foundation (S2)	ORR	7/20/06	2/28/06
e-Manifest: All Modes and Cargo Security (R6)	PRR	11/3/08	11/3/08
e-Manifest: All Modes and Cargo Security (R6)	ORR	4/6/09	4/6/09
Advanced Targeting (S3)	PRR	11/29/06	11/29/06
Advanced Targeting (S3)	ORR	2/28/07	2/28/07
Full S&T (S4)	PRR	7/21/09	7/21/09
Full S&T (S4)	ORR	10/13/09	10/13/09
Exports and Cargo Control (R7)	PRR	2/15/10	2/15/10
Exports and Cargo Control (R7)	ORR	7/16/10	7/16/10

Fig. 2: ACE Program Plan Version 11.2 Development Milestones

The PRR marks the milestone when an ACE release is considered ready for a 90-day pilot period. During this period, training is conducted for designated CBP and trade community end users, and the initial capabilities are tested and evaluated. The Operational Readiness Review (ORR) marks the milestone when the pilot is successfully completed, and the release passes the criteria to move it into full production and subsequent deployment.

As Figure 2 shows, despite the longer development schedule, CBP will still provide significant ACE capabilities throughout the development period. The enhanced ACE functionality will enable CBP to obtain information much earlier in the supply chain. The ACE will also serve as the information technology foundation to support the Container Security Initiative and the Customs-Trade Partnership Against Terrorism.

3. Fiscal Status

The CBP anticipates that Congress will make its decision on the FY 2005 CBP Modernization Expenditure Plan in January 2005. The plan requests $305.5 million for ACE and $16.2 million for ITDS. Key activities supported by the plan are:

- Detailed design and development of the Trade Facilitation and S&T functionality.

- Deployment of Automated Truck Manifest capability to ports.

- Design and development of up to 28 agencies' requirements of ITDS.

Figure 3 provides a summary of ACE funding. To date, Congress has appropriated $1.39 billion for ACE/ITDS, and released $1.07 billion. Of the $1.07 billion, $1,010 million has been obligated, and $809 million has been expended (95 percent and 76 percent of released funding, respectively).
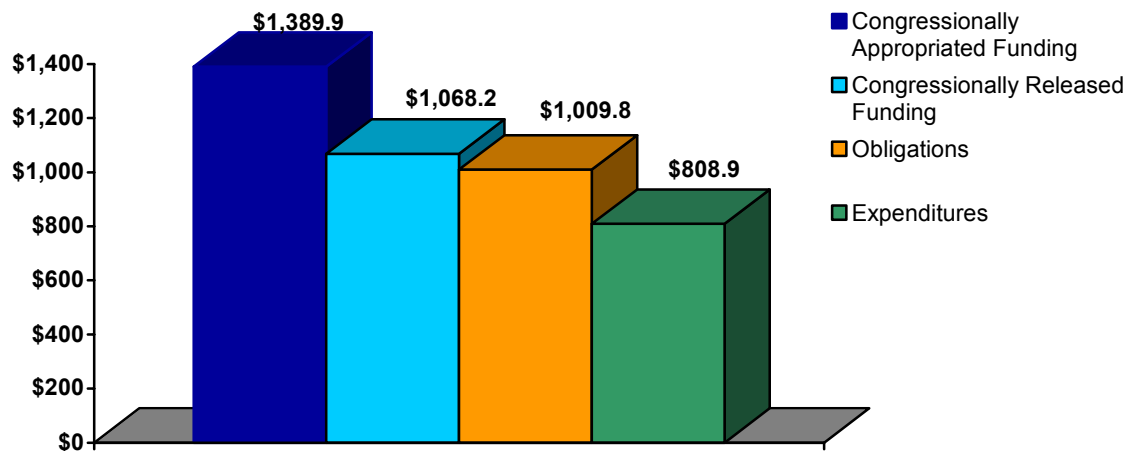

Fig. 3: ACE and ITDS Funding Status

4.   Near-Term Milestones

The following are key near-term milestones scheduled between January 1, 2005, and March 31, 2005.

- **January through March 2005:** PGAs will participate in Account Revenue and Secure Trade Data (Release 5) Blueprint development and design activities.

- **January-February 2005:** Complete Periodic Payment training of CBP personnel. Users include: Import Specialists, Account Managers, and Entry Specialists.

- **January 2005:** The Enhanced Preliminary Design Review (EPDR) for the Targeting Foundation release will be conducted.

- **February 2005:** The design, development, testing, and verification of the Screening Foundation release will be completed, and the Critical Design Review (CDR) / Test Readiness Review (TRR) will be conducted.

- **March 2005:** The ITDS Team will complete a process for integration of agencies, based on the needs of an agency being satisfied by capabilities already delivered within ACE, and begin more rapid integration of agencies into ACE/ITDS.

- **March 2005:** The ITDS Team will develop an Interface Standards and Guidelines document for PGAs to interface with ACE.

- **March 2005:** An additional 24 ACE Ambassadors are expected to be certified to support outreach to CBP employees in preparation for full deployment of e-Manifest: Trucks capabilities to all land border ports and replace any Ambassadors retired from the Program. With this additional certification, the total number of Ambassadors will stand at 137 by spring 2005.

5. Outlook

The ACE Program team continues to make progress toward developing and deploying those capabilities that will better detect and act on threats to the United States and our fellow citizens, and ensure our Nation's economic vitality. As stewards of the taxpayers' dollars, and mindful of the threat posed by those who would harm our citizens and disrupt our way of life, CBP is diligently developing and deploying ACE capabilities, while at the same time looking to provide ACE capabilities sooner, and at less cost. ACE account expansion continues. Every month, more companies sign on to participate in ACE, and CBP solidifies relationships with government agencies through the ITDS. Account expansion has been bolstered by application process improvements, and CBP has continued to improve its information efforts targeted at government and private industry to provide awareness, understanding, support, and involvement in ACE/ITDS. Current efforts have yielded more than 1,600 ACE users within the trade community, and more federal agencies will be added to the list of 25 PGAs that are currently involved.

The expansion of e-Manifest Truck capabilities to other ports will continue following the pilot and evaluation in Blaine, WA. As ACE expands in 2005, and more capabilities are put in the hands of ACE users, CBP will be gathering data and tracking measures to ensure achievement of business outcomes. This effort will encompass both the federal government and the trade community. The delivery of e-Manifest: Truck capabilities will provide CBP personnel with another tool to accomplish their anti-terrorism mission. The advance information received from carriers will be processed through CBP automated targeting systems. Additionally, these capabilities will enable the trade community at the land border to ensure adequate compliance with the Trade Act of 2002.

For More Information:

Additional information on ACE may be found on the CBP website (www.cbp.gov) under the *Modernization and ACE* link.

The first five reports to Congress on ACE may be found on the CBP website at http://www.cbp.gov/xp/cgov/toolbox/about/modernization/quarterly_reports/

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Appendix A. ACE Implementation

The ACE capabilities will deliver increased border security and enable improved trade compliance. The ACE will also increase efficiency and improve customer service for key stakeholders, which include importers, brokers, carriers, and other government agencies.

In June 2003, ACE Account Creation (Release 2) was launched, with 41 initial importer accounts given access to the ACE Secure Data Portal. Account Creation (Release 2) provides initial on-line account capabilities to CBP and the trade community.

Periodic Payment (Release 3) was launched in June 2004, and an ORR was successfully conducted in August 2004, allowing importers and brokers with ACE accounts to centralize payment processing and to utilize periodic monthly statement and payment capabilities, as well as Automated Clearinghouse (ACH) Credit and Debit. This release also provides an initial customer account-based subsidiary ledger interfaced with the CBP general ledger.

Periodic Payment (Release 3) expanded the account management framework to a larger trade audience, including brokers, carriers, and CBP representatives overseeing those areas. The Account Profiles for importers, brokers, and carriers will support some information relevant to the Customs-Trade Partnership Against Terrorism. A Significant Activities Log will provide a record of communications between the account and CBP (and ultimately with PGAs).

This release provided a new CBP revenue capability that allows importers and their designated brokers to make periodic monthly payments for monthly statements of duties and fees. In addition, this release will establish the first CBP customer-based subsidiary ledger for financial transaction processing, and will provide an expanded account view into account activity logs and exam findings. The following paragraphs summarize the features in future ACE releases, with the estimated timing of the deployment of initial capabilities for each release (beginning of pilot and evaluation phase for each release).

e-Manifest: Trucks (Release 4): Fall 2004

Cargo Processing in ACE began in Blaine, WA, on December 12, 2004, with the pilot of e-Manifest: Trucks (Release 4) and its Automated Truck Manifest with Preferred and Standard e-Releases capabilities. This will enable quicker entry for pre-filed and pre-approved cargo. Delivery of electronic release capability in e-Manifest: Trucks is proceeding in phases: phase one includes seven land border ports, and phase two will include the remaining 80-plus land ports. These deliveries will be followed by deployment to 250 ports, including sea, air, and rail. The ACE will ultimately be delivered to all ports, transportation modes, and locations.

Features:

- Automated Truck Manifest – Truck carriers submit crew, passenger, conveyance, equipment, and shipment information specific to the crossing of a conveyance from Mexico or Canada into the United States.

- e-Release – The electronic process of reconciling CBP release authorizations and in-bond movement authorizations with manifest records maintained in ACE, thereby allowing goods to enter into the United States.

The e-Manifest: Trucks (Release 4) provides an electronic truck manifest, a primary inspector interface, and expedited importation processing. The inspector interface consolidates more than seven separate cargo release systems to provide CBP Officers with a comprehensive view of enforcement and transaction history data to enhance enforcement capabilities and simultaneously expedite the movement of trade. The electronic manifest fulfills the mandate from the Trade Act of 2002 to provide an electronic manifest for trucks. The automated manifest release processes determine the admissibility of cargo, conveyances, and equipment arriving in the United States.

The release interfaces with the Automated Targeting System to provide screening data to CBP primary officers to target high-risk transactions, and a Tracer feature to record and track information associated with potential or actual non-compliance. The expedited release functionality of the Free and Secure Trade (FAST) Program is supported. The ACE refers to manifests associated with the release process defined by FAST as Preferred; all other manifest filings are referred to as Standard and incorporate release mechanisms such as the Border Release Advanced Selectivity System (BRASS), In-bond movements for Immediate Transportation, Transportation and Exportation and Immediate Exportation, Section 321 low value shipments, and Pre-Arrival Processing System (PAPS) shipments. Once e-Manifest: Trucks (Release 4) is deployed in all FAST ports, ACE will process all of the FAST transactions (Declaration and Release).

ACE Release Screening 1 (Screening Foundation): September 2005

Features:

- State-of-the-art business rules engine to enhance screening capabilities

  – Manifest & Entry transactions

- Centralized, standard data store for all S&T criteria

  – Enables business users to maintain and manage criteria without programming

– Every data element accessible for creating criteria

– Facilitates ability to determine "reasons" for an exam

ACE Release Screening 2 (Targeting Foundation): February 2006

Features:

- Extend screening functionality to Entry Summary Screening

- Border Targeting and Analysis Portal

    – National Targeting Center Workflow Automation

    – Search and Analysis over disparate data sources

    – Text Analytics

    – Analyst Collaboration

ACE Release Screening 3 (Advanced Targeting Capabilities): February 2007

Features:

- Extend screening functionality to include additional areas (e.g., In-Bond, Warehouse Movements, Reconciliation, Liquidation)

    – Provide access to Advance Trade Data for Risk Assessment

    – Provide analytical tools including link, cluster, and text analysis

    – Enhance Risk Management process by completing the risk management life cycle

- Extend Targeting functionality

ACE Release Screening 4 (Full Screening Tools): November 2008

Features:

- Finalize S&T platform with robust set of integrated tools that allow modernized capabilities for pro-active, preemptive risk mitigation

    – Provide full functionality for all modes of transportation and all transactions

- Complete S&T functionality needed for all PGAs

- Add advanced data exploration techniques (e.g., artificial intelligence) for pattern analysis and recommended actions

ACE Account Revenue and Secure Trade Data (Release 5)

The ACE Account Revenue and Secure Trade Data (Release 5) will provide new Accounts Management (AM), Manage Finance (MF), and Post Release (PR) (e.g., Entry Summary) functionality. It builds upon ACE Account Creation (Release 2) through e-Manifest: Trucks (Release 4) by adding functionality to existing account management, periodic payment, ledger, and screening processing.

This release will expand on prior ACE releases by adding most account types and corresponding system master data. The MF functionality will also expand on prior ACE releases by adding electronic refund processing, netting for ACE collections and disbursements, debt management, centralized bond processing including real-time bond sufficiency checks, full accounts receivable ledger processing, and web-based payment processing. Account Revenue and Secure Trade Data (Release 5) will provide seamless integration between the ACE subsidiary ledger and the CBP general ledger to include financial information for all ACE accounts. The PR functionality will include Entry Summary, Liquidation, Reconciliation processing, and calculation of duties, taxes, and fees. Post Release integration will provide a paperless Post Release management process at a national level. The foundation for Multi-Modal Manifest capabilities, streamlining work flows across all modes, and enabling more efficient risk screening of pre-arrival information, will be developed in parallel with Post Release capabilities.

Future ACE Releases

A description of the capabilities in e-Manifest: All Modes and Cargo Security (Release 6) and Exports and Cargo Control (Release 7) will be outlined in the March 31, 2005 *ACE Report to Congress*.

Appendix B. Acronyms and Selected Definitions

ACE	Automated Commercial Environment. The first major project of U.S. Customs and Border Protection Modernization. Through enhanced business processes and the new technology in ACE that will support them, border security and trade facilitation will be greatly enhanced.
ACH	Automated Clearinghouse
APB	Acquisition Program Baseline
BRASS	Border Release Advanced Selectivity System
CBP	U.S. Customs and Border Protection
CBPMO	U.S. Customs and Border Protection Modernization Office. The program office for the Automated Commercial Environment project and other CBP Modernization efforts.
DHS	Department of Homeland Security
EA	Enterprise Architecture
eCP	e-Customs Partnership
FAST	Free and Secure Trade
FMCSA	Federal Motor Carrier Safety Administration
FY	Fiscal Year
GAO	Government Accountability Office
HC	Human Capital
HCM	Human Capital Management
IIF	Intelligent Information Factory
IGCE	Independent Government Cost Estimate
IRB	Investment Review Board
ITDS	International Trade Data System
IV&V	Independent Verification and Validation
LCCE	Life-Cycle Cost Estimate
LCCM	Life-Cycle Cost Model
OIT	Office of Information and Technology
ORR	Operational Readiness Review
PGA	Participating Government Agency
PRR	Production Readiness Review

S&T   Screening and Targeting

TRM   Technical Reference Model